Mystery Shopper Independent Contractor Agreement Ann Michaels & Associates, Ltd.

3108 S. Rt. 59 Suite 124-255 Naperville, Illinois 60564 www.annmichaelsltd.com

Please read this agreement carefully. It will outline for you the terms and conditions of your business affiliation with Ann Michaels & Associates, Ltd. By accepting this agreement and by signing up with our online system (SASSIETM), you are automatically entered in our online data base.

- 1. Individuals who accept mystery shopping assignments from Ann Michaels & Associates are Independent Contractors (hereafter "IC") and NOT employees of Ann Michaels & Associates. Ann Michaels & Associates is not your employer. Ann Michaels & Associates may request your services from time to time on an assignment basis. You are always free to provide your services to other mystery shopping companies.
- 2. Ann Michaels & Associates will not withhold income taxes or social security taxes from any compensation you are due or receive. Ann Michaels & Associates will not pay employment security taxes or any other taxes on your behalf. Ann Michaels & Associates will not provide insurance to you nor will the company cover IC's under any type of workman's compensation plan. IC agrees to hold Ann Michaels & Associates harmless for any actions or activities arising from the scope of your involvement with the company.
- 3. As an IC you are responsible for your taxes or any other taxes due to the government from any compensation you receive from the Company. If your compensation reaches \$600.00 or more in a calendar year an IRS 1099 Form will be issued to you.
- 4. You will receive contact via email or telephone by a scheduling representative inviting you to participate in mystery shops, telephone mystery shops (recorded and/or non recorded), intercept interviews, and merchandise audits. IC contact is on an as-needed basis. Ann Michaels & Associates is under no obligation to provide IC's with assignments, and IC's are not under any obligation to accept assignments.
- 5. As an IC, you agree not to accept an assignment if you are an immediate family member, employee or a former employee of a client of Ann Michaels & Associates. You should immediately notify your scheduling representative of this

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conflict so the assignment can be rescheduled with another IC. To avoid these potential conflicts, IC's should not accept assignments where the IC or immediate family members and/or friends are employed by the company being evaluated in the assignment.

- 6. Compensation for assignments offered by Ann Michaels & Associates are clearly indicated during the assignment offer and acceptance of assignment correspondence, which will be submitted via email. There are some assignments that may require out of pocket purchases. IC's are reimbursed for said purchases, up to the required maximum amount indicated during the invitation and scheduling process. Out of pocket purchases are reimbursed only when a valid receipt is submitted to Ann Michaels & Associates. IC's understand that reimbursement will not be provided without the above noted documentation submitted to Ann Michaels & Associates.
- 7. Ann Michaels & Associates is not responsible for compensation for telephone calls, faxes, mileage, or postage. Said expenses are the sole responsibility of the IC unless otherwise stated by Ann Michaels & Associates in writing prior to the completion of the shop assignment.
- 8. When an IC is awarded an assignment through Ann Michaels & Associates, all guidelines report will be placed into the IC's shop log. The guidelines set forth by Ann Michaels & Associates for each assignment pertain only to the data or other information requested by our clients, and not to the specifics of how you conduct the assignment.
- 9. In the event that an IC cannot perform an accepted assignment, the IC agrees to notify Ann Michaels & Associates via email or telephone so that the assignment can be rescheduled in a timely manner. Failure to notify Ann Michaels & Associates may result in an IC being removed from Ann Michaels & Associates' database.
- 10. Payment to IC's will occur for assignments that are completed within the time frame specified and agreed upon, as well as per the guidelines set forth by our clients. The mystery shop report and supporting documentation must be received within the time frame specified and agreed upon. Supporting documentation may

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be in the form of a valid receipt for purchases, business card, invoices, or similar documents as indicated in the assignment guidelines. If the report and/or supporting documentation is not received within the timelines set forth by Ann Michaels & Associates and agreed upon by the IC upon assignment acceptance, the IC understands that they will not be paid for said assignment.

- 11. If an evaluation involves the consumption of alcohol, the IC is required to bring a designated driver or minimize alcoholic intake to ensure safety of IC and others. It is the IC's responsibility to refrain from driving while impaired. Limiting alcoholic intake is also required to allow for accurate observations and report submission for assignments accepted from Ann Michaels & Associates.
- 12. Payment for successful assignments is made via PayPal (www.paypal.com), an online payment service. It is an IC's responsibility to ensure that their PayPal account is set up correctly prior to accepting mystery shopping assignments and that the correct email address for the IC's PayPal account is correctly entered into Ann Michaels & Associates' database. Ann Michaels & Associates does not assume any liability for any obligations of PayPal.
- 13. Ann Michaels & Associates issues payment between the 15th and 20th of each month for any assignments completed one calendar month prior. For example, if assignments are completed in January, payment will be issued on February 15^{th-20th}. If an assignment is completed on the last day of the month, it is the IC's responsibility to ensure that the evaluation report and supporting documentation is submitted prior to the first day of the following month to ensure timely payment. Ann Michaels & Associates reserves the right to revise payment schedule at its discretion.
- 14. IC's are not authorized to duplicate any of Ann Michaels & Associates' or its client's materials, or any part thereof, in any way or form, without prior written consent from Ann Michaels & Associates.
- 15. IC's agree to the following confidentiality disclaimers:
 - a. IC's will not disclose, disseminate, duplicate or divulge information relating to Ann Michaels & Associates, our clients, potential clients, assignments, or potential assignments to anyone without written consent from Ann Michaels & Associates

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- b. IC's will not share the results of mystery shopping assignments with anyone outside of Ann Michaels & Associates.
- c. IC's will not contact Ann Michaels & Associates' clients directly without written consent from Ann Michaels & Associates.
- d. Completed mystery shopping reports and other information gathered during an assignment are for the exclusive use of Ann Michaels & Associates and its clients. All surveys and other materials are copyrighted and remain the exclusive property of Ann Michaels & Associates and/or its clients.

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I understand that by clicking entering "1" on the profile created when registering to be included in Ann Michaels & Associates' database, I am expressing interest in receiving assignments from Ann Michaels & Associates as an Independent Contractor and not as an employee or representative of Ann Michaels & Associates. If I receive assignments from Ann Michaels & Associates, I am solely responsible for reporting all income received from Ann Michaels & Associates. I am also solely responsible for paying all federal, state, and local taxes, as well as any other taxes/fees required by governmental authorities.

I understand that during my participation in assignments from Ann Michaels & Associates, I will remain free to perform services for any other person or business, so long as I abide by the terms and conditions stated herein. Furthermore, I understand that I am under no obligation to accept assignments and can cancel assignments I have accepted as indicated in the terms stated in this agreement. I also certify that I understand that agreeing to these terms and conditions does not obligate Ann Michaels & Associates to offer assignments to me. I certify that all information given on the shopper application is complete, accurate and true, and that any falsification of information on this questionnaire and/or failure to supply requested information will result in disqualification from the program.